MINUTES

Meeting of the Scotts Valley City Council

Date: February 7, 2018

POSTING:
The agenda was posted on 2-2-18 at City Hall, the SV Senior Center, and the SV Library, and on the Internet at www.scottsvalley.org, by the City Clerk.

CALL TO ORDER 6:00 p.m.

PLEDGE OF ALLEGIANCE and **MOMENT OF SILENCE**

ROLL CALL

Present:	Mayor Reed	City Manager Haruyama
	Vice Mayor Dilles	City Attorney Powell
	Council Member Aguilar	Police Chief Walpole
	Council Member Johnson	Interim Public Works Director Hammack
	Council Member Lind	Community Development Director Bateman
		City Clerk Ferrara

COMMITTEE REPORTS

VM Dilles reported that he attended the Monterey Bay Division League of California Cities meeting in Monterey.

VM Dilles reported that he attended the Oversight Board for the Successor Agency of the Scotts Valley Redevelopment Agency meeting to approve the annual budget and recognized obligation payment schedule (ROPS). He stated that this will probably be the last meeting of this Board as the County-wide Board will go into effect July 1, 2018.

VM Dilles reported that he attended an AMBAG open house regarding a hearing on the 2040 Metropolitan Transportation Plan and its sustainable strategies.

VM Dilles reported that he attended a meeting of the Loneliness Committee, which is a part of the Seniors Council, where they are working on ways to help seniors who are living alone.

CM Johnson reported that he attended the Santa Cruz County Regional Transportation Commission meeting where they discussed the feasibility of rail.

CM Lind reported that she attended the Criminal Justice Council Executive Committee meeting, where they are working with local gang task force personnel to work together to provide support and services to address some of the challenges related to the increased youth violence in Santa Cruz County.

CM Lind reported that she attended a Senior Fraud and Crime Prevention Awareness that was presented by the Santa Cruz County District Attorney's Office at the Scotts Valley Senior Center.

CM Lind reported that the Santa Cruz Metropolitan Transit District Board met to discuss a federal grant that they are pursuing to help replace 9 of the 61 buses that need to be replaced.

Mayor Reed reported the Town Center Subcommittee met to hear proposals from two potential developers and the Subcommittee will be hearing from a third potential developer next week.

CITY MANAGER REPORT

Community Center Improvements: Improvements are underway at the Community Center – we will be modeling the kitchen, along with new appliances, counter tops, cabinets and flooring. Completion date is estimated to be March 2.

Scotts Valley Water District - Lane Closure on Bethany Drive: You may have noticed that part of Bethany Drive in front on Baymonte Preschool is closed and traffic is being detoured onto Tabor Way. The Scotts Valley Water District (SVWD) is completing work on their pump station which should be wrapped up by Friday, February 9, 2018.

Scotts Valley Police Department Body Camera Community Outreach Forum: As part of the FY 2018/19 City's Capital Improvement Program (CIP), the Police Department will be purchasing Body Worn Cameras (BWC). The Department has scheduled an outreach meeting with the community to provide information about BWC, answer questions, and solicit feedback before finalizing police departmental policy and procedures. The meeting will be held this Thursday, February 8, 2018 at 6 pm in the Council Chambers.

TIP-A-COP: Don't forget that Tip-a-Cop is this Friday, February 9, 2018 at Brunos Bar & Grill from 11:00 am – 3 pm. SVPD officers will act as "Celebrity Waiters," helping to spread awareness and raise funds for Special Olympics of Northern California.

Mount Hermon Road/Scotts Valley Drive Intersection Project: The Intersection Project is still on schedule to begin on the Monday, February 12, 2018. You may have seen message boards on the west end of Mount Hermon Road and on Highway 17 announcing the project. The traffic control plan will require some sidewalk closures; notices regarding detour routes will be posted a week prior to the closure.

Skypark Drainage: As part of this year's budget, Skypark fields will be undergoing some drainage improvements. Deep aeration is planned – where 8" plugs are pulled and simultaneously filled with sand. The project starts next Monday, February 12, 2018 and goes through the week.

Appointment of Taylor Bateman as Community Development Director: Last week, I permanently appointed Taylor Bateman as our Community Development Director.

PUBLIC COMMENT

Wendy Brannan, Scotts Valley resident, expressed concerns regarding what is needed to provide essential services in the City related to existing and future potential needs. She also stated that she believed the Town Center Subcommittee was required to post agendas and minutes.

Mayor Reed responded that the Town Center Subcommittee is a Project Specific Committee and not required to post agendas and minutes.

Chris Culligan, expressed concerns about the safety of massage parlors in Scotts Valley.

**ALTERATIONS TO
CONSENT AGENDA**

CM Aguilar requested that items C and D be moved to the regular agenda for discussion.

CM Johnson item G be moved to the regular agenda for discussion.

M/S: Aguilar/Dilles
To approve the Consent Agenda as amended moving items C, D, and G to the regular agenda for discussion.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

Consent Agenda:

A. Approve City Council meeting minutes 1-17-18
B. Approve check register – 1-12-18, 1-26-18
E. Authorize the City Manager to apply for a Local Partnership Program Grant for the Glenwood Drive Active Transportation Project
F. Approve Resolution No. 1939 in response to the call for comments on the draft proposed five-year outer continental shelf offshore oil and gas leasing program for 2019 through 2024

**ALTERATIONS TO
REGULAR AGENDA**

CM Haruyama stated that the City Council had additional items related to items 4 and 5 on the Council dais that were received after the publication of the agenda.

M/S: Lind/Aguilar
To approve the Regular Agenda as amended moving items C, D, and G to the regular agenda for discussion.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

REGULAR AGENDA

C. **Approve non-collection of fees for the Scotts Valley Educational Foundation (SVEF) for their 2nd Annual Touch a Truck event being held at Skypark on Sunday, April 29, 2018**

D. **Approve non-collection of fees for the Santa Cruz Chapter of the American Association of University Women (AAUW) for the use of the meeting room in the Scotts Valley Parks and Recreation building on March 17, 2018 for the AAUW to conduct interviews of 7th grade girls who aspire to attend the annual Tech Trek at Stanford University**

CM Aguilar requested that City staff evaluate our schedule of non-profit fees due to the large amount of requests we receive for non-collection of fees each year.

M/S: Aguilar/Johnson
To approve the non-collection of fees for the Scotts Valley Educational Foundation (SVEF) for their 2nd Annual Touch a Truck event being held at Skypark on Sunday, April 29, 2018.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

M/S: Aguilar/Johnson
To approve the non-collection of fees for the Santa Cruz Chapter of the American Association of University Women (AAUW) for the use of the meeting room in the Scotts Valley Parks and Recreation building on March 17, 2018 for the AAUW to conduct interviews of 7th grade girls who aspire to attend the annual Tech Trek at Stanford University.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

M/S: Aguilar/Johnson
To have City staff evaluate our schedule of non-profit fees due to the large amount of requests we receive for non-collection of fees each year.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind, Reed)

Wendy Brannan, Scotts Valley resident, expressed concerns about approving the non-collection of fees and its impacts on the City's budget.

G. **Approve amendment to agreement between the City of Scotts Valley and Management Partners for financial and budget services**

CM Haruyama presented the written staff report and responded to questions from Council.

M/S: Johnson/Dilles
To approve the amendment to agreement between the City of Scotts Valley and Management Partners for financial and budget services.
Carried 5/0 (AYES: Aguilar, Dilles, Johnson, Lind Reed)

1. Oral Presentation: Santa Cruz Metropolitan Transit District (SCMTD) Annual Report from Alex Clifford, General Manager of the SCMTD

CM Haruyama introduced Alex Clifford, General Manager of the SCMTD.

Alex Clifford, General Manager of the SCMTD, presented the 2017 SCMTD Annual Report to the City Council and responded to questions from Council.

Wendy Brannan, Scotts Valley resident, questioned potential uses for the empty building at the Scotts Valley Transit Center and parking rules.

2. Oral Presentation: Marc Adato, Monterey Bay Community Power Update

Marc Adato, Monterey Bay Community Power (MBCP), gave a PowerPoint presentation to the City Council on the current status of MBCP, their next steps, and responded to questions from Council.

Victor Marani, stated that the City of Watsonville went to their voters to amend their utility user's tax to provide seniors, disabled, and low-income with a 100% exemption, and recommended that the City of Scotts Valley consider going to the voters to amend their utility user's tax to provide the same exemption provision to seniors, disabled, and low-income. He also stated that Monterey Bay Community Power may not be qualified as a utility provider, which he believes could call into question their ability to collect utility user's taxes.

3. Oral Presentation: Bob Langseth, Executive Director, Boys & Girls Club

Bob Langseth, Executive Director of Boys & Girls Club, gave an update on the status of the Scotts Valley Boys & Girls Club and responded to questions from Council. He stated that they have committed to having a grand opening ceremony on April 14, 2018.

4. **Consider modifying or rescinding Resolution No. 1938, supporting environmental health, including increased pedestrian and bicycle mobility as described in the Santa Cruz County Greenway Vision**

CM Haruyama presented the written staff report and responded to questions from Council.

Ryan Sorentero, Santa Cruz resident and mother lives in Scotts Valley, spoke in support of the City Council rescinding their support of Greenway until all factors are available for consideration.

Manu Koenig, Santa Cruz resident, spoke in support of the City Council upholding Resolution No. 1938 in support of Greenway.

Bill Cook, Santa Cruz resident, spoke in support of the City Council upholding Resolution No. 1938 in support of Greenway.

Cathy Marino, Santa Cruz resident, spoke in support of the City Council rescinding their support of Greenway until all factors are available for consideration.

Barry Scott, Friends of the Rail and Trail (FORT), spoke in support of the City Council rescinding Resolution No. 1938 in support of Greenway until all factors are available for consideration.

Alex Clifford, Santa Cruz Metropolitan Transit District (SCMTD), spoke in support of the City Council rescinding Resolution No. 1938 in support of Greenway until all factors are available for consideration.

Frank Kertai, Scotts Valley resident, spoke in support of the City Council rescinding Resolution No. 1938 in support of Greenway until all factors are available for consideration.

Gail McNulty, Executive Director of Greenway Santa Cruz County, spoke in support of the City Council upholding Resolution No. 1938 in support of Greenway.

Mark Mesiti-Miller, Friends of the Rail and Trail (FORT) Chair, spoke in support of the City Council rescinding Resolution No. 1938 in support of Greenway until the UCIS process is complete and all factors are available for consideration.

M/S: Reed/Johnson
To modify the title and final paragraph of Resolution No. 1938 as follows:
Title: RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY SUPPORTING ENVIRONMENTAL HEALTH, INCLUDING INCREASED PEDESTRIAN AND BICYCLE MOBILITY ~~AS DESCRIBED IN THE SANTA CRUZ COUNTY GREENWAY VISION~~; and final paragraph: NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City of Scotts Valley supports the complete and thorough study of all alternatives in the UCIS process, and efforts that enhance the local community's safety and health, including increased pedestrian and bicycle mobility of the kind ~~as~~ described in the Greenway plan, and encourages the ~~approval of the Greenway initiative~~ serious consideration of all alternatives on the existing rail corridor.
Failed 2/3 (AYES: Johnson, Reed; NOES: Aguilar, Dilles, Lind)

M/S: Aguilar/Dilles
To rescind Resolution No. 1938 and to bring this item back for consideration after receiving the results of the UCIS study.
Carried 3/2 (AYES: Aguilar, Dilles, Lind; NOES: Johnson, Reed)

5. Consideration of an agreement with Scotts Valley Hotel, LP to defer payment of developer impact fees for approved hotel at 5030 Scotts Valley Drive, APN 022-091-61

CM Haruyama presented the written staff report and responded to questions from Council.

Prakash Patel, gave some background information on the project, explained why they are asking for a deferral, and responded to questions from Council. He also requested that the numbers be verified.

CM Aguilar requested that the City of Scotts Valley be placed on the Deed of Trust as a subordinate. Mr. Prakesh agreed with the request to include the City as a subordinate on the Deed of Trust.

Victor Marani, spoke in support of the City approving this agreement and recommended that the numbers be verified.

M/S: Johnson/Aguilar
To terminate the June 20, 2016 Deferral Agreement with Merced Hospitality and rescind the Promissory Note as reflected as Exhibit A effective the day Scotts Valley Hotel, LP acquires the hotel, and approve the attached Deferral Agreement with Scotts Valley Hotel, LP, and to include in Section 2 that the City of Scotts Valley be placed on the Deed of Trust as a subordinate. In addition, both the rescission of the existing agreement and adoption of the new agreement will not be effective until the property transfers from Merced Hospitality to Scotts Valley Hotel, LP.
Carried 4/1 (AYES: Aguilar, Dilles, Johnson, Lind; NOES: Reed)

6. Consider adoption of the draft FY 2018/19 Council Goals

CM Haruyama presented the written staff report and responded to questions from Council.

M/S: Lind/Aguilar
To adopt the FY 2018/19 Council Goals as reflected on Attachment B of the City Council Goal-Setting Workshop Summary (Exhibit A).
Carried 4/1 (AYES: Aguilar, Johnson, Lind, Reed; ABSENT: Dilles)

7. Future Council agenda items

CM Aguilar requested a future agenda item regarding the undergrounding of microwave facilities.

VM Dilles requested a future agenda item to discuss fiber.

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 9:52 p.m. to discuss the following items:

1. Pursuant to Government Code Section 54956.9, the City Council met in closed session to confer with their legal counsel regarding potential litigation – 1 case.

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 10:15 p.m.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Reed announced that there was nothing to report.

ADJOURNMENT The meeting adjourned at 10:15 p.m.

Approved: ______________________
Jim Reed, Mayor

Attest: Tracy A. Ferrara
Tracy A. Ferrara, City Clerk

EXHIBIT A

Attachment B – Draft Goals and Priorities for FY 2018-19

The following set of goals and priorities were identified during the City Council's goal-setting workshop. Continuing items are shown in black font and new items are in red. The Council also added a new goal to emphasize the priority placed on maintaining a high quality of life for Scotts Valley residents. The goals and priorities presented in the table are considered draft until affirmed by Council at a future City Council meeting.

Goals	Priorities
Ensure Long-Term Financial Stability	Identify and recommend budget strategies, including revenue enhancements to maintain core services and reduce long–term obligations (Fiscal Sustainability Plan)*
	Complete the Citywide Fee Study
	Assess Feasibility of Reducing/Eliminating Non-Essential Services
	Engage and educate the community and staff on the City's fiscal outlook and long-term sustainability strategies
Encourage Business Development and Expand the City's Economic Base	Complete the General Plan update
	Facilitate the Development of the Town Center and other Complimentary Land Uses
	Explore business-friendly processes to expedite permitting processes (see Operational Initiatives Goal Below)
Implement Operational Initiatives to Enhance City Services (Operational Effectiveness)	Implement Customer-Focused Technologies to Streamline Complex Permitting Processes
	Complete the City's new website
	Develop a citywide strategic technology plan
	Explore policy guidelines for Council Standing and Project Specific Committees for increased effectiveness and transparency
Maintain Quality of Life for Residents	Maintain investment in public safety
	Research options to address housing affordability and related issues and identify best

	practices
	Conduct a review of City building design standards
	Facilitate development of Glenwood Open Space trail system for public use
	Explore creative solutions to address code enforcement issues

** This incorporates a full range of strategies to be considered as part of the FSP, including, but not limited to, preparing for a potential renewal of the Measure U Sales Tax measure, examining use of development impact fees, revisiting the City's short term rental policy, and expanding/updating the hotel and utility taxes]*